#### EMPLOYMENT AND ECONOMIC DEVELOPMENT

# Contamination Cleanup and Investigation Grants Program

**Brownfields and Redevelopment Unit** 

# **Brownfields and Redevelopment Unit**

- Contamination Cleanup and Investigation Grants Program
- Cleanup Revolving Loan Program
- Redevelopment Grant Program
- Demolition Loan Program



#### **Program Purpose**

The purpose of these programs is to reduce the costs of developing previously used sites.

Contamination cleanup and redevelopment costs would not be present on a site with no prior history.



# What is a brownfield?



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### What is a brownfield?

An abandoned or underutilized property whose redevelopment is hindered by either real or perceived environmental contamination.



### **Brownfield Cleanup Components**

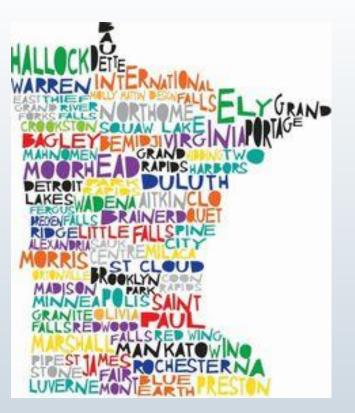
- Investigation Stage
  - Phase I (historic review of property)
  - Phase II (sampling and testing)
  - Response Action Plan or RAP (cleanup strategy)
- Cleanup Stage
  - Implementing the RAP



- Investigation and RAP Development Grants
  - DEED can pay up to 75% of investigation costs
  - Max grant is \$50,000
- Cleanup Grants
  - May include investigation costs already incurred
  - Can apply for up to 75% of costs
- Both grants are competitive



- Eligible applicants are:
  - Cities
  - Counties
  - HRAs
  - EDAs
  - Port Authorities





- Eligible sites include:
  - Both privately and publicly-owned sites
  - Known or suspected contamination
  - Development plan will create jobs, increase tax base, or result in other public benefits
  - Resolution from applicant body (and municipality if different)
  - Cleanup Grant applicants need MPCA approved Response Action Plan (RAP)

Eligible Costs	Ineligible Costs
Investigation - Phase I, Phase II, RAP Development	Project/Grant Administration
Cleanup - Contaminated soil removal and disposal, vapor systems, groundwater treatment, etc.	Appraisal or other application costs
Public Acquisition*	Development Costs
Environmental Consulting Fees*	Asbestos Abatement in Buildings
Public Improvements*	Contingencies
Demolition*	Landscaping - Seeding, sod, trees, etc.



- Grant awards
  - Up to 75% of eligible cleanup/investigation costs
  - Required match = 25% of eligible cleanup/investigation costs
    - 12% of match must come from an unrestricted source
  - Request what you need
  - 35% of awards to Greater Minnesota



### **Scoring Criteria**

Value of Blight	MPCA	Need for State
Removal	Ranking	Assistance
Tax Increase	Job Creation and Retention	Time Frame
Project	Match	Public
Readiness	Contribution	Importance



- Applications
  - Due at DEED office
    November 1<sup>st</sup> by 4:00 PM
  - Application form and instructions can be found at mn.gov/deed
  - Apply when project is ready to start





- Application reminders
  - Answer all questions
  - Applicant must match resolution
  - Resolution must include specific language in DEED template
  - Submit application and all attachments by due date





- Grants awarded about 8 weeks after application submittal
- Grant funds must be spent within the grant term
- Contract start date



- Eligible applicants are:
  - Cities
  - Counties
  - HRAs
  - EDAs
  - Port Authorities
  - Private entities
  - Non profits



- Eligible sites include:
  - Completed "All Appropriate Inquiries"
  - Own or have ownership interest in property
  - MPCA approved RAP
  - Borrower cannot be responsible for contamination
  - Ability to repay loan



- Eligible costs
  - Costs already incurred are not eligible for loan funds
  - Costs only eligible after project is determined eligible and the cleanup plan is "accepted" by the appropriate agencies



- Loan awards
  - Applications are accepted throughout the year
  - Loans can reimburse up to 78% of eligible costs
  - 22% match requirement from a non-federal source
  - Rate and term are negotiable
  - Portion forgivable if borrower is local unit of government

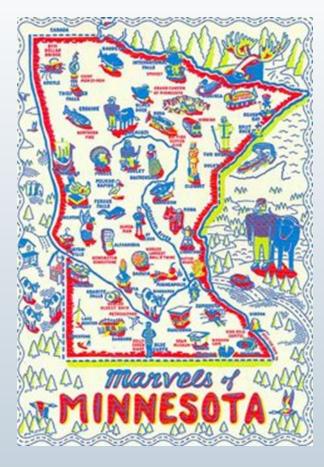


# Redevelopment Grant and Demolition Loan Programs

- Assistance primarily for demolition, asbestos abatement, and other site prep activities
- Same eligible applicants
  - Need to own site for demo loan
- Redevelopment
  - 50% match required from any available source
  - 50/50 grants to Greater MN and Metro
- No \$\$\$



# Thank you!



# Any questions?



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